

AMENDED IN ASSEMBLY MAY 1, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2514**

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**Introduced by Assembly Member Bradford**

February 24, 2012

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An act to add and repeal Section 2827.1 of the Public Utilities Code, relating to electricity.

LEGISLATIVE COUNSEL'S DIGEST

AB 2514, as amended, Bradford. Net energy metering.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations. Existing law, relative to private energy producers, requires every electric utility, as defined, to make available to an eligible customer-generator, as defined, a standard contract or tariff for net energy metering on a first-come-first-served basis until the time that the total rated generating capacity *of renewable electrical generation facilities, as defined*, used by eligible customer-generators exceeds 5% of the electric utility's aggregate customer peak demand. Electrical corporations are an electric utility for these purposes.

This bill would require the commission to complete a study by June 30, 2013, to determine the extent to which each class of ratepayers *and each region of the state* receiving service under the net energy metering tariff is paying the full cost of the services provided to them by electrical corporations ~~and~~, the extent to which those customers pay their share of the costs of public purpose programs, *and the benefits of net energy metering*. The bill would require the commission to report the results of the study to the Legislature within 30 days of its completion.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 2827.1 is added to the Public Utilities  
2 Code, to read:  
3 2827.1. (a) By June 30, 2013, the commission shall complete  
4 a study to determine the extent to which each class of ratepayers  
5 *and each region of the state* receiving service under the net energy  
6 metering tariff authorized pursuant to Section 2827 is paying the  
7 full cost of the services provided to them by electrical corporations  
8 ~~and~~, the extent to which those customers pay their share of the  
9 costs of public purpose programs, *and the benefits of net energy*  
10 *metering. In evaluating program costs and benefits for purposes*  
11 *of the study, the commission shall use the peak demand reported*  
12 *by those electric utilities filing a Form No. 1 with the Federal*  
13 *Energy Regulatory Commission to determine aggregate customer*  
14 *peak demand, and shall use the Energy Commission's alternating*  
15 *current ratings to determine the total generating capacity of*  
16 *eligible customer-generators, for purposes of calculating the*  
17 *5-percent limitation in paragraphs (1) and (4) of subdivision (c)*  
18 *of Section 2827.*  
19 (b) (1) The commission shall report the results of the study to  
20 the Legislature within 30 days of its completion.  
21 (2) The report shall be submitted in compliance with Section  
22 9795 of the Government Code.  
23 (3) Pursuant to Section 10231.5 of the Government Code, this  
24 section is repealed on July 1, 2017.

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